PROCEEDINGS OF THE MYSORE REPRESENTATIVE ASSEMBLY.

BIRTHDAY SESSION—JUNE, 1938.

FIRST DAY.

Friday, 10th June 1938.

The Birthday Session of the Mysore Representative Assembly was held in the Jagan Mohan Palace Pavilion, Mysore, commencing at 12 of the clock on Friday, 10th June 1938, Mr. President (*Amin-ul-Mulk* Sir Mirza M. Ismail, K.C.I.E., O.B.E., Dewan) in the Chair.

The Dewan and the Members of Council took their seats precisely at 12 of the clock.

The Session was opened by the President with the following Address :—

LADIES AND GENTLEMEN,

I. General.

Introductory.

I am very glad to welcome you to another session of the Representative Assembly.

Our main business at this session is, as usual, to review the expanding activities and ascertain the growing requirements of the State for the coming year and to devise ways and means for adjusting the available resources to them. I shall proceed to that business at once, and in doing so, I may as well begin by reminding you of the radical change that has taken place in recent years all the world over in people's conception of the duties of the State.

The expansion in the functions of government.

I was reading the other day in a leading English paper the details of a scheme under which it was suggested that the State should secure that all fallow land was put under cultivation, that it should dictate the crops to be grown, and that it should guarantee to market them at an economic price; in other words, that it should control the industry of agriculture at every stage from ploughing the land to banking the sale proceeds of the crop. And this, mind you, was not in the Union of Socialist Soviet Republics, or under the New Deal in the United States of America, but in what is supposed to be the last stronghold of democracy, England.

Such a proposal is calculated to make us realize to what enormous lengths the functions of government have expanded since they were defined by Aristotle and the classical economists. The suggested control of agriculture has already taken place in England in respect of important items, such as milk, eggs, butter and pork. Other industries are controlled in one country or another as to hours, wages, processes and many more details. Men are told what they shall eat, what they shall drink, wherewithal they shall be clothed, how they shall travel, and what nature of a house they shall build for their abode. Some governments go further and control, not only their actions, but the words they speak and write, the very thoughts they think.

Some recent budgets.

I am not proposing to entertain you this morning with a dissertation on the collectivist *versus* the individualist theory, but I do ask you to realize one thing, namely, that with the growth that has taken place of recent years in the functions of government, even when such growth is directed towards developing the ideals of nationalism and self-sufficiency, the cost of government has inevitably grown in like proportion. I read recently that in England the amount expended per family amounts to £200 per annum, and that the total debt of the Government and the local bodies under it amounts to £5,000 per individual tax-payer. It is not surprising that the budget amounts to a figure a little short of £1,000 millions. Of the United States of America we are getting accustomed to statements like the following:—

"Up to date the White House Executive has produced sixteen billions "more of national debt for various "forms of depression relief, aside from "borrowing; has increased the direct "and indirect annual tax revenue from "three and a quarter billions to six and "a half billions for Federal expenditures alone, based on the New Deal "objectives, and yet, with this highest "levy of all time upon business, is running a deficit of approximately 100 "millions a month between outgo and "income."

We have no accurate information as to the budgets of the countries that have led the world in the last mad race for armaments, but we know that some of them have practically exhausted their credit, and we know also that, when a great nation can no longer borrow, its people must be nearing the end of their resources.

I am not asking you to consider a proposal that the Government of Mysore should seek to emulate the astronomical figures which I have quoted to you. Very much the reverse. But I do ask you, and the many people outside, who think that the Government have a bottomless purse, to remember that they cannot expand their functions on all sides at once unless they expand their expenditure also. And here, I should like to remind you that the old conception of the democratic State was that of a corporate body to which each of its citizens contributed what it was in his power to contribute. The new conception seems to be that of a generous parent to whom every individual, every community and every interest is entitled to apply for help in every project that is undertaken.

The State's resources.

Having said so much as to the increasing demands on our resources, let me turn to the consideration of the resources themselves and the manner in which we attempt to adjust them to the demands. In previous years I have asked you to consider our revenues under the heads of natural resources, commercial enterprises and the contributions of the tax-payer, and I propose to ask you to consider them in the same order again.

Natural resources.

As I have remarked on previous occasions, Mysore is very fortunate in her natural resources, the chief of which are her gold and other minerals, her forests, and especially her sandalwood monopoly. It has been suggested by financial purists that we should be doing only what is right if we put all the receipts from these sources into a development fund and applied that to all new schemes of expenditure, while we applied the proceeds of taxation to the direct service of the people. In another country that is somewhat similarly situated, the plan is followed of subsidising agriculture at the expense of the natural resources, with the idea that, when the natural resources are exhausted, agriculture will be able to take up the burden.

I should like to put it to you that the plan that we have been following is very similar to this. The mines and the sandalwood monopoly have paid us in the past twenty years a revenue of Rs. 634 lakhs, and we have invested in irrigation in the same period an amount of Rs. 500 lakhs. You are perhaps under the impression that that investment

is bringing in a large return. I sincerely hope and believe that it is—in, the increased prosperity of the *raiyat*, the trader and the carrier, the replenishing of the subsoil water for drinking purposes and in the increase of food supply for the people. But not in actual revenue to Government. I have recently been studying the figures of the irrigation revenue, and though they are far from complete, I find it very hard to establish that this large outlay is giving us more than a very meagre return. This is one of the matters in which Government need your co-operation and that of all who have the good of the State at heart—the conservation of water. It behoves us all to join hands in avoiding the waste of this great asset of the State, to see that all the land that can be irrigated is irrigated, that no water is allowed to run to waste, that soakage and evaporation are reduced to a minimum, that crops are more scientifically cultivated, and in a word, that every drop of water let out through the sluices does the maximum 'duty' of which it is capable.

Commercial enterprises—those under direct State control. Railways.

I propose to consider the commercial enterprises of the State under two heads: firstly, those that are under direct State control, and secondly, those that are worked through companies or other private enterprises. The principal commercial enterprises which are under State control are the railways and the electrical undertaking. In respect of the railways, I need not remind you of the long struggle which we have waged in order to secure the complete and unified control of the lines for which the State has paid. We have now, I am thankful to say, reached the conclusion of this stage of our development and have under our control a railway system consisting of 600 miles of metre gauge and 127 miles of narrow and other gauge lines, with gross earnings entitling it to a place among the railway systems of the first class. We have still one great object to achieve, namely, to secure the connection from Chamarajanagar southwards, which would give us access to ports on the west coast, and now to the important new harbour of Cochin. The total sum we have invested in our railway enterprise amounts roughly to 6½ crores of rupees. It is not at present paying us a full return on the investment, but with the unification of control and consequent reduction of overhead charges and with the introduction of more modern systems of management, I have every hope that in the years to come it will give us a better direct return.

The electrical enterprise.

Our electrical enterprise is, as you know, largely dependent on natural resources. It has been as beneficial to our revenues as a gold mine. The total net revenue which it has paid to the State in the course of the past twenty years amounts to no less than Rs. 539 lakhs. As you are aware, we are launching out into large extensions of this enterprise, for a large part of which we hope to pay out of the profits of the installations already at work.

The Mysore Iron and Steel Works.

Half way between the commercial enterprises which are conducted directly by Government and those which are worked through private enterprise lie the Mysore Iron and Steel Works, which are conducted with Government capital by a Board which is largely non-official. You all know the unfortunate past history of this industry, and if any one is critical of the loss that has been incurred in connection with it, I think I shall be correct in saying that the members of this House are perfectly ready to share with Government the responsibility for the action that has been taken. You have been consulted at every stage. Time and again the question of abandonment has been discussed. On every such occasion the representatives of the people have strongly expressed the opinion that, even though the enterprise may not have been a commercial success, it has had great value as a key industry and as a training ground for Mysore talent. I now hope that we are turning the

corner, if we have not already turned it. The deficits have at last been converted into surpluses, and although these at present form no addition to the revenues of the State, since they are necessarily being credited to the depreciation account, we have hopeful prospects before us in that respect also, particularly through the development of subsidiary industries, such as cement and paper. I earnestly hope that the time is not far distant when your courage in insisting on the pursuit of this industry will have its reward.

Industries under company control.

I turn now to the industries that are under private management, but which Government are doing all they can to advance by advice, by control and by becoming themselves shareholders in the capital account. Our policy, particularly in the latter respect, has had its critics, but I believe that you are among those whose criticism has always been of a friendly kind. Let me restate our principal objects in a few words. One of these is the objective that is common to so much of the world at the present time, the objective of self-sufficiency. If we can never know from day to day what checks are to be put on the flow of international trade by tariffs, by quotas or by currency manipulation, it behoves us to be able to supply our own requirements. To do so, moreover, makes for our national self-respect. We can think more highly of ourselves as Mysoreans if we are clad in Mysore clothes, eat Mysore food and use Mysore goods in our occupations, and find them of as high a quality as those that we have been hitherto importing from abroad. Another very important objective is that of the enlargement of the scope of employment for the youth of the country. We have been too long confined to the two employments of field labour and what used to be known as the 'learned professions.' Between the two lies the great group of occupations that employ brains and hands together, and it is essential to the development of a nation that its young men should have entry into a number of diversified occupations of this kind. Again, we need employment for our capital, and opportunities to let it increase and multiply. We have been scared in the past by the failure of indigenous banks, and many have resorted to the practice of burying their money underground. It is from this point of view especially that Government investment in industries is advantageous. It affords to the would-be investor a guarantee that the prospects of the enterprise have been thoroughly tested and that a measure of control will be exercised over the conduct of it.

In these circumstances, we have invested a sum which now amounts to slightly over Rs. 30 lakhs in enterprises connected with the making of sugar, paper, tobacco, vegetable oils, chemicals and fertilizers. Apart from this, a sum of nearly Rs. 12 lakhs has been invested in minor industries directly carried on by Government, such as soap, silk and electrical goods, porcelain, lac and bakelite articles and medicinal drugs. Here, again, I am sure you will not expect an immediate return on the capital invested. Nor can it be anticipated that every one of the ventures will prove a complete success. If it were so, there would be no need for Government assistance. At the same time, I think a review of the industries that have had an opportunity to establish themselves will show results that are not discouraging. The Soap Factory, for instance, has now been in operation for sixteen years and has returned a total net profit to the State of about 7 lakhs of rupees. The Sugar Factory in four years has given a net return of Rs. 7½ lakhs on our investment of Rs. 21·60 lakhs. The Electric Factory, which has been at work for only two years, has had a turnover in 1936-37 of no less than Rs. 2·81 lakhs, and the turnover for the next year is expected to be Rs. 8·35 lakhs. I may remind you, at the same time, that, while each new industry tends to afford increasing employment to those that are already established, it also tends to bring in to Government an increasing revenue in the shape of taxes on income and freight for the railways.

The revenue from taxation.

The portions of the revenues that I have so far dealt with are revenues that involve no burden on the people of the State, but rather the reverse. There remains the burden of the taxes, which may fairly be called upon to meet the ordinary services of the State. In Mysore, during the past twenty years the chief additions made to our list of taxes are taxes on luxuries. The taxes on entertainments and betting yield us a return of about Rs. 4½ lakhs, and these are taxes, especially the latter, which can hardly be called burdensome, but, on the other hand, are beneficial. The tax on matches, which, again, involves very little in the way of a burden, brings us a net annual revenue of about Rs. 4½ lakhs. The tax on sugar, which touches one of the foodstuffs of the people, was imposed as part of an all-India policy, which has as its object the development of a new industry. That policy has been so far justified that India has become in a few years one of the largest producers of sugar in the world. In Mysore it has cost the people Rs. 22 lakhs, but they have to set against that the establishment of a flourishing industry and the provision of a market for agricultural produce which has put nearly Rs. 78 lakhs into the pockets of the farmers.

II. The Figures for the Years under Consideration.

To turn now to the figures for the year. I propose, as on previous occasions, to take each item in turn, and instead of discussing it under the heads of 'budget estimate 1937-38,' 'revised estimate 1937-38' and 'budget estimate 1938-39,' to try and give you in each case a very brief and consecutive account of the achievements of the year that has passed and of the proposals for the year on which we are about to enter.

A general review.

I will deal with the totals in the first instance, but before doing so will call your attention to one factor which materially affects the figures for 1937-38 and 1938-39 on both sides of the budget. This is the discharge in November, 1938 of the 5½ per cent loan of 216 lakhs of rupees, and the sale for that purpose of the securities held in the sinking fund. This involves a reduction in revenue in 1938-39 by five lakhs and in expenditure by six, with larger figures for the year following. The total revenue for 1936-37 was Rs. 400·25 lakhs, which is the highest figure so far attained. The estimate for 1937-38 was Rs. 386·43 lakhs, and the actuals are expected to be Rs. 391·23 lakhs. The revenue for 1938-39 is taken at Rs. 386·83 lakhs.

The expenditure during 1936-37, after transferring Rs. 9 lakhs to the head "Special Reserve for Non-recurring Expenditure," was Rs. 398·58 lakhs. The expenditure for the current and coming years, after taking into account the savings of Rs. 5·39 lakhs in the subsidy, is estimated at Rs. 391·20 lakhs and Rs. 385·70 lakhs respectively.

The net result of these transactions will, it is hoped, be that the accounts will close for each of the three years with a small surplus—Rs. 1·67 lakhs for 1936-37, Rs. ·03 lakh for 1937-38, and Rs. 1·13 lakhs for 1938-39.

1. The Endowments of Nature.

Gold Mines.

To come now to the details.

The revenue under 'Royalty on Gold' during 1936-37 was Rs. 28·46 lakhs, against Rs. 25·50 lakhs budgeted for. About Rs. 25½ lakhs are expected to be realized during the current and coming years.

Chrome Mines.

A profit of Rs. 1,60,995 was realized during 1936-37 from 'Chrome Mines,' against Rs. 50,000 taken in the last year's budget. Only Rs. 30,000 and Rs. 5,000 have been taken under this head for the current and coming years, as it is considered desirable to conserve the limited quantity of high grade ore.

Sandal Oil.

The net revenue by the sale of sandal oil during 1936-37 was Rs. 14·96 lakhs,

against an estimate of Rs. 10·87 lakhs, and this is the highest since 1930-31. The revenue during the current and the next year is estimated at Rs. 9·65 and 10·42 lakhs, respectively.

2. COMMERCIAL ENTERPRISES.

Railways.

The Bangalore-Harihar and the Bangalore-Hindupur sections of the Mysore State Railway, as well as the Bangalore City Joint Station, are being worked by the State from the 1st January, 1938.

The Anandapuram-Sagar Railway was opened to public traffic on the 11th March, 1938.

The net receipts during 1936-37 amounted to Rs. 18·41 lakhs, against Rs. 18·67 lakhs budgeted for. During the current year the net revenue is estimated at Rs. 20·01 lakhs. During the coming year we expect to realize almost the same revenue. But a large provision for repairs and renewals is considered necessary. The net revenue is, therefore, estimated at Rs. 19·40 lakhs.

The Krishnarajsagar Hydro-Electric Works.

The net revenue from the Hydro-Electric Works during 1936-37 was Rs. 41·59 lakhs, which is an improvement of about Rs. 1½ lakhs over the estimate, the mining companies having contributed an increase of about Rs. 1¼ lakhs. The net revenue during the current and the next year is estimated at Rs. 42·75 lakhs and Rs. 44·66 lakhs, respectively. This is after allowing for an increase in the rate of contribution to the depreciation fund from 2 per cent to 2½ per cent.

The automatic telephone system came into effect in September, 1937 in Bangalore City and in January, 1938 in Mysore City, the total outlay being about Rs. 6 lakhs The number of telephone connections so far taken is 518 in Bangalore and 230 in Mysore. To meet the anticipated further demands in Bangalore, a further capital expenditure of Rs. 43,000 has been sanctioned.

The town of Magadi has been supplied with electric power. The work of conveying such power to Davangere is in progress. The lighting of the Hunsur, Krishnarajnagar and T.-Narsipur towns by electricity has been sanctioned. Provision has also been made in the next year's budget for supplying electric power to Chitaldrug, Kunigal and Tiptur.

The Shimsha scheme for the generation of 23,000 H. P. is in progress. It is likely to be completed and the power made available next year. The work of harnessing the Jog Falls for the generation of 30,000 H.P. is also in progress, and a provision of Rs. 80 lakhs has been made for these two works in the next year's budget. When these works are completed, an increase in power revenue to the extent of Rs. 20 lakhs per annum is anticipated.

The Krishnarajsagar Irrigation Works.

Under 'The Krishnarajsagar Irrigation Works' the net receipts rose from Rs. 28,000 during 1935-36 to Rs. 58,000 during 1936-37. The estimated receipts for the current and next years are Rs. 2·14 lakhs and Rs. 2·65 lakhs, respectively. It is also anticipated that there will be considerable realizations from the collection of the arrears of water rate that have accumulated during the period of development.

The opening of a new branch (Shimsha) from the Irwin Canal for the irrigation of 15,000 acres of land in the dry parts of the Mandya, Maddur and Nagamangala taluks has been sanctioned at a cost of Rs. 12·10 lakhs, and a special P. W. Division has been formed for the supervision of the Cauvery and the Shimsha branch works.

Central Industrial Workshop.

During the year there were only three concerns under the control of the Department of Industries and Commerce, *viz.*, the Central Industrial Workshop, the Badanaval Spinning Circle and the Sri Chamarajendra Technical Institute. The total value of the work turned out in the Central Industrial Workshop up to the end of April, 1938 was Rs. 93,169, and it is expected that during the

remaining two months of the year work to the extent of another Rs. 30,000 will be executed, bringing the total to Rs. 1,23,169, as compared with Rs. 1,22,213 during 1936-37. The workshop will also, it is expected, be able to meet the running and depreciation charges. As usual, the major portion of the work done was for Government departments. The manufacture and supply of improved types of pumps and ploughs, improved *charka* parts, ropetwisting machines, power-driven oil *ganas*, ragi-threshing machines and ploughshares are some of the important items of work which the workshop has undertaken in connection with the rural development work that is being carried out. A new section for making transformer tanks has been added, and so far 500 tanks have been made and delivered to the Government Electric Factory, Bangalore.

Badanaval Spinning Circle.

The main features of the activities of the Badanaval Spinning Circle during the year were the carrying out of measures for securing greater efficiency in methods of spinning and carding, and extending the activities of the Circle to other areas. Government have approved of the scheme submitted by the Department for the manufacture of 1,000 *charkas*, 1,000 carding bows and 1,700 speed pulleys, and their supply at half the cost to the spinners working under the Badanaval Spinning Circle, the remaining half being met by Government. Necessary action has already been taken to give effect to the scheme and trained men have been employed to demonstrate the use of the appliances

With a view to resuscitating the hand spinning and weaving of wool, a wool spinning and weaving section of the Badanaval Spinning Circle was started at Kolar from 1st February, 1938. The work is already in full swing and about Rs. 800 worth of woollen goods of improved designs have been made and sold. Another branch of the Circle was opened at Turuvanur in Chitaldrug Taluk during the month of April, 1938 employing about 300 spinners. In due course, the spinning and weaving of wool will also be started here.

The Department also supervised the working of the *khadi* centres under the control of the District Boards of Kolar, Chitaldrug, Kadur and Hassan. It is proposed hereafter to take these under direct control in order to ensure standardised production and to improve the marketing arrangements.

The total value of the *khadi* produced in the Badanaval Spinning Circle and the sales up to the end of April, 1938 were Rs. 35,356 and 52,624, respectively, and it is expected that by the end of the official year the figures will reach Rs. 45,000 and Rs. 65,000, respectively, as compared with Rs. 44,370 of *khadi* produced and Rs. 54,493 sold during the year 1936-37. It is hoped that the sales may go up to at least Rs. 1,00,000 during the next official year.

Sri Chamarajendra Technical Institute.

The Sri Chamarajendra Technical Institute participated in the Mysore Dasara Exhibition and also in the Haripura Congress and the Madras Swadeshi Exhibitions. Two new showrooms, one at Hyderabad and another at Madras, were opened during the year for the sale of the products of the Institute and of the other industrial concerns. The total value of the goods produced at the Institute was about Rs. 56,000 and the total sales amounted to over Rs. 1 lakh, of which a little less than half represents the value of goods consigned by private manufacturers.

Mysore Iron and Steel Works.

The working profits of the Iron and Steel Works during 1936-37 amounted to Rs. 1,38,828. The estimated working profits during the current and the next years are Rs. 1,25,000 and Rs. 1,00,000, respectively, the decrease being due to the fall in the market price of steel.

To increase the range of products manufactured and to lower the costs, improvements to the plant costing about Rs. 2 lakhs have been sanctioned and will be effected during the course of the next year.

In view of the harnessing of the Jog Falls for the generation of electricity, the question of the electric smelting of pig iron and the manufacture of ferro-alloys, such as ferro-silicon and ferro-chrome, is under consideration. The manufacture of acetic acid as a by-product of wood distillation is also receiving attention.

Cement Factory.

The construction of the cement plant is progressing satisfactorily and the manufacture of cement is expected to commence in July, 1938. During the first year a working profit of Rs. 15,000 is anticipated.

Soap Factory.

The net profit realized by the Soap Factory during 1936-37, after providing for depreciation, was Rs. 34,000, and profits of Rs. 53,300 and Rs. 62,500 are expected to be realized during the current and the next year, respectively, in spite of the keen competition which the Factory has to face and the rise in the price of raw materials. The glycerine plant has been erected and is working satisfactorily.

Industrial and Testing Laboratory.

There was an appreciable increase in the output and the sale of the medicinal products prepared in the Industrial and Testing Laboratory. The sales of the lac section have nearly doubled. The total output is likely to stand at Rs. 1·60 lakhs and Rs. 1·84 lakhs during the current and coming year, respectively.

The estimated profits for the current and the next year are Rs. 14,300 and Rs. 10,700, respectively, against Rs. 28,948 realized last year. The decrease is due to the decision to make supplies at cost price in future to the Medical and the Public Works Departments.

Electric Factory.

The net profits of the Electric Factory, after providing for depreciation, are estimated at Rs. 15,000 and Rs. 40,000 for the current and the next year, respectively.

Porcelain Factory.

There has been an improvement both in the production and the sale of insulators manufactured by the Porcelain Factory. These insulators have been supplied, not only to the Electrical Department in Mysore, but also to the Government of Madras and to various firms in British India. The total production is estimated at Rs. 98,000 and Rs. 1,14,000 during the current and next year, respectively.

The electric furnace for the Ceramic Laboratory and the eletro-mechanical testing equipment have been erected and the ceramic drying chamber, the electric furnace and the jaw-crusher are now working. Experiments are being conducted in the manufacture of technical procelain and suspension insulators.

When these developments come into full operation, it is hoped that the losses hitherto incurred will be recouped.

Mysore Silk Weaving Factory and Silk Filature.

The Silk Weaving Factory is still losing money in spite of improvement in the outturn and sales. It has now been arranged to transfer the filature portion of the enterprise to the Mysore Silk Filatures, Ltd., and to confine the work of the Factory to weaving and dyeing.

Paper Mills.

The construction of the buildings of the Paper Factory is nearing completion and the erection of the machinery is progressing satisfactorily. The original estimate of capital expenditure proved too low, and arrangements have been made to secure the additional capital required. It is hoped to begin trial operations next month.

The Mysore Spun Silk Mills, Ltd.

The Mysore Spun Silk Mills, Ltd., have been started with an authorised capital of Rs. 10,00,000 for the spinning of yarn from the waste silk produced in the State, and Government have subscribed for shares to the extent of Rs. 85,000, or ten per cent of the issued capital. The entire machinery and plant have been received and

installed. Work in the preliminary departments was commenced in January, 1938, and it is expected that the finished spun silk yarn will be put on the market in July.

Tobacco Company.

Though the seasonal conditions were unfavourable, the Tobacco Company was able, within eight months of its formation, to make a profit and declare a dividend of five per cent free of income-tax.

The *raiyats* received an aggregate sum of Rs. 1,14,000, which means a return of over Rs. 60 per acre on the 1,800 acres successfully cultivated. In some cases, the return was over Rs. 200 per acre. About 1,800 persons were employed and a sum of over Rs. 48,000 was paid in wages. In the present (calendar) year the area of cultivation will be increased to 5,000 acres, feeding twenty-two centres.

Sri Krishnarajendra Mills.

The installation of 108 looms in the Krishnarajendra Mills was completed in October, 1937 and weaving was started in the same month. The erection of the remaining 108 looms, as well as of the dyeing and bleaching machinery, is now complete. It is hoped that, when the accounts for the year 1937 are made up, they will show a profit in excess of the sums due in the shape of interest.

The Mysore Sugar Company.

From 1st October, 1937 to 1st May, 1938, the Sugar Factory produced 18,910 tons of sugar, and it is estimated that before the close of the year a total quantity of about 26,000 tons will have been produced.

In spite of the small margin of profit left after the levy of the enhanced excise duty, the company was able to declare a dividend of ten per cent.

New concerns

The following new joint-stock concerns have been recently established with Government aid :—

The Mysore Silk Filatures, Ltd.

(1) The Mysore Silk Filatures, Limited.—This company has been formed, with a capital of Rs. 4 lakhs, for the purpose of reeling high grade silk. Government have taken shares to the extent of Rs. 15,000 and have agreed to hand over the Government filature to the Company at a valuation. The Company has been recently put in possession of the lands at T.-Narsipur required for the factory buildings. The machinery is being ordered and the Company expects to start operations before the end of this month.

(2) *The Mysore Chemicals and Fertilisers, Ltd.*

The Mysore Chemicals and Fertilisers, Limited.—This Company has been formed for the manufacture of sulphuric acid and ammonium sulphate, with a capital of Rs. 25 lakhs, ten per cent of which has been subscribed for by Government.

(3) *The Mysore Vegetable Oil Products, Ltd.*

The Mysore Vegetable Oil Products, Limited.—This Company has been formed with an authorised capital of Rs. 4 lakhs for the manufacture of deodorised oils and vegetable ghee, for which there is large demand in the State. Excluding the Government contribution of Rs. 40,000 (4,000 shares), applications for 16,682 shares have so far been received and allotments to that extent have been issued. Orders have been placed for the machinery. It is hoped that the factory will be in a position to start work in eight or ten months.

(4) *The Mysore Coffee Curing Works.*

Another concern which has been sanctioned and will soon come into existence is the Mysore Coffee Curing Works at Chikmagalur for the curing, warehousing and marketing of Mysore coffee.

3 CONTRIBUTIONS OF THE TAX-PAYER.

I now pass from the revenues that are due to the endowments of nature or the results of our trading ventures, or, as is generally the case, to a combination of the two causes, to those that come more directly out of the pockets of the tax-payer.

Land Revenue.

Land revenue shows a heavy fall, from Rs. 130·66 lakhs in 1936-37 to Rs. 119·96 lakhs in 1937-38, with a slight improvement to Rs. 122·82 lakhs expected in 1938-39. This fall is due partly to the large collection of arrears in the past year and partly to the reduced assessment that will come into force from the current year.

Forest.

The revenue under Forest during 1936-37 was Rs. 17·61 lakhs and it is expected to be Rs. 16·26 lakhs and Rs. 17·41 lakhs during the current and the next year, respectively. It includes the anticipated return from the supply of bamboos to the Paper Mills (Rs. 60,000 during the current year and Rs. 1,68,000 during the next year).

Excise.

As announced at the last Dasara Session it is proposed to introduce prohibition in the Closepet Health Unit next month, and this will involve a loss of about Rs. 25,000. Allowing for this and for a general improvement in conditions, we have pitched the estimate for 1937-38 and 1938-39 at the figure of Rs. 48·66 lakhs which was realized in 1936-37.

Income-tax.

Income-tax is becoming an item of revenue of increasing importance. As you are all aware, the Government of India have just introduced a comprehensive bill which aims at securing a tightening up of the machinery and a large increase in the return from this tax, and it behoves us to examine our own system and see whether we should not bring it into line with that of British India. I am glad to say that a long-standing claim against the Government of India on account of the tax on the profits of railways and the salaries of railway employees has been in part conceded. We also anticipate a considerable fall as a result of the decline in the profits of the Mysore Sugar Company. As a net result of these factors, we hope that the revenue may rise to Rs. 29·10 lakhs in 1937-38 and we have budgeted for a figure of Rs. 26·87 lakhs in 1938-39.

Excise on sugar and matches and tax on betting.

Owing to larger production and the increase in the rate of the excise duty on sugar, we expect larger realizations under this head, and we have, therefore, budgeted for Rs. 16·88 lakhs and Rs. 15·38 lakhs in the current and the coming year, respectively, as against Rs. 10·67 lakhs realized in 1936-37.

Stamps.

The realizations under the head of Court Fees have been declining and we are not quite clear as to the cause. If it lies in a decrease in litigation, it is a matter for congratulation, but there are other possibilities, of which the failure to realize all court fees in full is one that must not be lost sight of. We have placed an officer of judicial experience on special duty to investigate the matter. Meanwhile, we have taken credit for only Rs. 18·84 lakhs and Rs. 18·93 lakhs in the current and the coming year, respectively, as against a realization of Rs. 19·74 lakhs in 1936-37.

Assigned Tract Revenue.

Our share of the surplus revenue of the Assigned Tract shows a disappointing decrease from Rs. 2·90 lakhs in 1935-36 to Rs. 2·45 lakhs and Rs. 2·12 lakhs during 1936-37 and 1937-38, respectively, and only Rs. 1·42 lakhs are expected to be realized during the next year.

New Loan.

As I have already mentioned, the Mysore Government 5½ per cent loan of Rs. 216 lakhs is due for discharge on 1st November, 1938. Our capital programme will be very heavy for some years to come on account of the Shimsha and Jog schemes and the various large irrigation works in progress. Meanwhile, savings bank fixed deposits, involving large amounts, are due to be discharged during the current and the coming years. Government have, therefore, thought it advisable to convert a

portion of the above loan and fixed deposits into a new 3 per cent 1956-61 loan. The amount so far subscribed is Rs. 72 lakhs, of which Rs. 53 lakhs represent the conversion of 5½ per cent 1938 bonds and the balance the conversion of the fixed deposits.

After the complete discharge of the 5½ per cent loan, the public loan liabilities of the State will amount to Rs. 765 lakhs. Of this sum Rs. 128 lakhs are repayable in 1940 and 1941, and the provision in the sinking fund is more than sufficient to cover this amount. The balance is repayable not earlier than 1951. The annual contribution of Rs. 18·78 lakhs from the revenue account, together with the interest accretions thereon, will be adequate for the discharge of these loans on the due dates.

4. Expenditure.

The Financial Secretary's Memorandum indicates the new or special items included in the Budget, and I wish to refer only to a few salient points therein.

Forest.

The establishment of a Forest Research and Experimental Station at Bangalore has been sanctioned, and this involves a non-recurring expenditure of Rs. 31,000 and a recurring expenditure of Rs. 6,200, exclusive of the pay of two Forest officers engaged on the work.

General Administration.

A new revenue sub-division has been formed at Tumkur to relieve the District Treasury Officer of revenue work and to take over the acquisition work connected with the Marconahalli project.

It has been arranged to hold next year an examination for selecting candidates for admission to the Mysore Civil Service, and the pay of four probationary assistant commissioners has, therefore, been provided for.

The other items for which provision has been made are the pay of five revenue probationers and fifteen probationary revenue inspectors, and extra expenditure for giving survey training to amildars.

A provision of Rs. 5,000 and Rs. 10,000 has been made for the current and the next year, respectively, for special committees. The holding of district and taluk conferences annually, which was suspended as a measure of economy in 1931, has been revived, and provision has been made at the rate of Rs. 150 for each district and Rs. 75 for each taluk.

Debt Conciliation Scheme.

It is proposed to establish debt conciliation boards, in accordance with the provisions of the Mysore Debt Conciliation Act, VI of 1937, in six taluks as an experimental measure, and a provision of Rs. 6,000 has been made for the purpose.

Police.

The need for strengthening the police force in order to place the internal security of the State on a firmer basis has been felt, and additional staff has been recruited. The cost of this, coupled with some very necessary improvement in the prospects of the existing staff and the corresponding contingent expenditure, amounts to about Rs. 1 lakh.

Medical.

In response to the appeal issued by Her Excellency the Marchioness of Linlithgow, a contribution of Rs. 1 lakh has been made to the King-Emperor's Anti-Tuberculosis Fund for India. This sum and the public subscriptions raised in the State will form part of the all-India Fund, but 95 per cent of the receipts in the State will be made available for local use.

The new Mental Hospital has been completed and extra expenditure to the extent of about Rs. 18,000 has been allowed during the current year on account of additional establishment and equipment. A provision of Rs. 3,000 has been made for further additions next year.

The construction of the new Cheluvamba Vilas Maternity Hospital at Mysore, which was commenced this year with the liberal donation of Rs. 1 lakh given by His Highness the Maharaja, supplemented by a State grant of half

a lakh, is expected to be completed next year. A sum of Rs. 10,000 has been provided for the equipment of the hospital.

The construction of a pathological block in the premises of the Sri Krishnarajendra Hospital, Mysore, as an adjunct to the Medical College, has been taken up with the aid of a generous donation of Rs. 50,000 given by Sri Jayadeva Murugharajendra Swamigalavaru.

Two new dispensaries have been opened and a provision of Rs. 4,000 has been made for the opening of some more in 1938-39.

The scheme for giving facilities to private medical practitioners to settle down in rural areas was introduced in six places during the current year.

Public Works.

The creation of a new revenue district with headquarters at Mandya will be given effect to from 1st July, 1939, and the construction of a district office building at a cost of about Rs. 2 lakhs has been sanctioned.

A new public works division with headquarters at Mandya has been established to supervise the works of the taluks which will be included in the new revenue district. This involves a recurring expenditure of about Rs. 20,000 per annum.

A temporary sub-division has been established at Chamarajanagar to carry out the repairs to the tanks that breached in October last, and Rs. 2½ lakhs have been provided for these works in the next year's budget.

The Marconahalli project is progressing more rapidly than was anticipated, and an additional grant of Rs. 1·75 lakhs has, therefore, been sanctioned on this account in the current year. Out of the estimated cost of Rs. 22 lakhs of this project, Rs. 7·78 lakhs are likely to be spent before 1st July, 1938. The channel work has also been taken up simultaneously.

Among road works, the bridge over the Cauvery at Ramanathpur has been completed and that over the Vedavathi near Kellodu is in progress; the motor road to the Nandi Hills has been thrown open to traffic and a sum of Rs. 2 lakhs has been sanctioned for road works in the Irwin Canal area.

Education.

The expenditure on Education, which was Rs. 49·29 lakhs during 1935-36, rose to Rs. 52·78 lakhs during 1936-37, and the provision in the next year's budget is Rs. 55 lakhs. In addition to the retention of the large staff temporarily sanctioned, a provision of Rs. 10,000 has been made for opening new middle schools, and an equal sum for the further expansion of primary education. Lump sum grants aggregating Rs. 61,000 have also been included for new buildings, building grants, maintenance grants and other items. A sum of Rs. 25,000 has been provided for the purpose of opening two vocational middle schools and one vocational high school next year.

The new Silver Jubilee Technological Institute building has been completed at a cost of Rs. 3·15 lakhs, and it is proposed to open the Institute next year. Pending the settlement of details, a provision of Rs. 25,000 has been made for recurring expenses.

The grant to the Mysore University has been fixed at Rs. 10·55 lakhs, including Rs. 55,000 for new buildings, equipment and other items.

Agriculture.

As you are aware, we have several important schemes in hand in which we are co-operating with the Imperial Council of Agricultural Research, the most important of which are those relating to fruit culture, sugarcane breeding and the investigation of Johne's disease. While proceeding with these, we are also embarking next year on schemes for improving sheep breeding and for the investigation of poultry disease. We are also pursuing further enquiries, solely at State cost, into questions of poultry breeding and bee-keeping.

Three veterinary dispensaries were newly established during the current year, and provision has been made for the establishment of three more in the coming year.

Sericulture.

In addition to the continuance of the usual activities, a new scheme for the preservation of silk worm eggs by refrigeration has been sanctioned. This involves an initial expenditure, which will be borne by the State, of Rs. 11,700 and a recurring expenditure of about Rs. 5,000, which will be borne by the Imperial Council of Agricultural Research.

Public Health.

Under the head of "Public health," by far the most important item is the provision of a sufficient supply of pure water to cities, towns and villages—for people of all castes and, where possible, for cattle. This is a matter about which we hear much outcry from the public, and I personally welcome that outcry as a sign of the enlightenment of public opinion on an important health matter, though I am aware that there are those who regard it as a sign of neglect of their duties on the part of Government. Let us see briefly what we have been able to do up to date to meet this demand of the people. I shall not describe the systems in the great cities. It is sufficient to say that, in the cities of Mysore and Bangalore and the Kolar Gold Field, we have spent over a crore of rupees on providing water, and that over and above that, we are contributing three-fourths of a lakh every year towards the maintenance charges. Out of the 104 other towns of a population of 3,000 and over, we have succeeded up to date in supplying thirty-four with a protected water supply at a cost of nearly Rs. 20 lakhs, and we have schemes, either in progress or under consideration, for supplying another twenty-four at a cost of a further sum of Rs. 10 lakhs. Of the villages, there are some to which we have been able to give regular protected water supplies, but the majority are still dependent on wells. Out of 16,484 villages in all, 11,320 have been sufficiently provided with water and nearly 2,500 new wells have been dug during the last five years at a total cost of nearly seven lakhs of rupees. We are now proposing to push on with this work at an expenditure of Rs. 3 lakhs a year for the next five years, and we hope this will result in all the villages of the State being provided with a good water supply. Meanwhile, provision is being made for the supply of water to cattle as well as men at *shandies* and *jatras*. Nine *jatras* have been provided with pipe water supply at a cost of Rs. 93,000 and schemes for two more are now under examination. Those of you who have visited the *jatras* at Subbarayanaghati, Melkote, Chunchanakatte or Mudukuthore cannot fail to have been impressed with the vast change that has been effected by the introduction of pipe stands for men and cattle all over.

The Subsidy.

Ladies and gentlemen, before I conclude the examination of the expenditure side of our finances there is one matter which I cannot refrain from referring to.

You will all have seen that the Government of India budget includes provision for the remission of a sum of Rs. 138 lakhs of income-tax to the Provinces and that concurrent with this a remission of tributes is made to the States, of which our share is Rs. 5·39 lakhs. I am afraid you will find it somewhat difficult, as I have done myself, to see how these figures carry out the recommendations of the influential committees that have sat and considered this question of tributes. The first of these was the Federal Finance Sub-Committee of the Round Table Conference who made two recommendations, firstly, that, whenever the tribute paid by a State amounted to more than five per cent of the State's revenues, the excess over the five per cent should be remitted "at once." Their second recommendation was that, when the time came when the finances of the Government of India enabled them to give up part of the income-tax to the Provinces, there should be a corresponding remission of what remained of the tributes to the States. These recommendations were both confirmed by the Davidson Committee, who, as I understood their report, went even further than the Federal Finance Sub-Committee of the Round

Table Conference in as much as they recommended that the remission of the tributes should be "at least" *pari passu* with the remission of income-tax to the Provinces. I understood them to mean, by the addition of these words "at least," that the remission of the tributes should, if possible, be given preference. Now what has happened in the actual event? The Davidson Committee reported in July 1932, and we all hoped that effect would be given to their recommendations by the Government of India "immediately," that is, with effect from our budget of 1932-33. At that time the excess of our tribute over five per cent of our revenues amounted to Rs. 7·18 lakhs. This figure has gradually declined as our revenues have increased so that in the current year it is only Rs. 5·39 lakhs. Had we received a remission of the difference between the tribute and five per cent of our revenues for every year from 1932-33 to 1936-37, we should have received by now a remission of 35·9 lakhs of rupees. And it is interesting to note that during these five years the net deficit of our budgets amounted to 36·68 lakhs of rupees. In other words, if we had received even that first instalment of remission, we should have practically avoided the deficits for this period. As it is, we have paid Rs. 122·5 lakhs for the benefit of other parts of India, while running into debt ourselves.

I now come to the second part of the recommendations of the committees, which, as I understand them, was that, as soon as the Government of India were in a position to remit revenue to the Provinces, they should do so by giving the Provinces a share of the income-tax and *pari passu* by remitting a portion of the tributes paid by the States. Now their finances have been in such a position that they have been able to give doles to the Provinces even since 1933-34 and these doles have amounted in the course of the five years that we have under consideration to a total of nine crores of rupees. The greater part of these doles was given for the purpose of rural reconstruction. I venture to think that the claims of the States to help in this matter are no less urgent than those of the Provinces. In other words, that we should have been justified, as contributors to the common purse, if we had asked for a share of the doles ourselves. Even if we were not given that, we were at least entitled to be relieved from contributing to them. In other words, the remission of the tribute that was not in excess of five per cent of the revenues of the State should have taken place at least from the year 1933-34, when the Government of India's finances first enabled them to give doles to the Provinces. But what has actually happened? The Government of India have begun in 1937-38 to exchange for the system of doles the system of remission of income-tax to the Provinces, but in the case of the States, whereas we expected, firstly, the "immediate" remission of the amount by which our tribute exceeded five per cent of our revenues in 1932-33, and a remission proportionate to the sums distributed to the Provinces from the year in which the Government of India found themselves in a position to help them, that is 1933-34, we are actually receiving in 1937-38 a remission of Rs. 5·39 lakhs, which is the amount by which our tribute exceeds five per cent of our revenues for that year, and nothing at all *pari passu* with the distribution of doles to the Provinces. While, therefore, we express our thanks for the small mercy that has been vouchsafed to us, I am sure you will all be at one with me in feeling that justice requires that the full remission of the tribute should no longer be delayed.

III. Conclusion.

It is time for me to conclude this somewhat prolonged review. I need not pause to make any reference to other important matters that have arisen for attention since the last meeting of this Assembly. I shall content myself with the observation that in regard to them Government have gone as far as possible to meet the wishes of the public and to satisfy all men of goodwill and sober judgment. I have purposely avoided making in this address reference to the question of constitutional reforms in the

State, which is under the scrutiny of a special committee who are devoting much thought and labour to the solution of that very difficult problem. But I would ask you to remember this: that, in the words of John Stuart Mill, the worth of a State, in the long run, is the worth of the individuals composing it. And the worth of the individual is the result, among other things, of environment, education and opportunity. In my review, I have tried to show you how, under the wise guidance of a great and sagacious Ruler, his Government have endeavoured to provide all three. By lavish expenditure on irrigation, communications and agriculture, and by a lenient policy in respect of taxation, they have endeavoured to put money in the pocket of the *raiyat*. By a similar policy in respect of drinking water, electric lighting, medical relief and rural reconstruction in general, they have added to his amenities. Education has expanded till it has reached a figure at which it consumes nearly a quarter of the taxation revenue. Meanwhile, industrial development is proceeding at a pace that sometimes frightens me, lest we should have undertaken more than we can make good, and village industries are not neglected. There is one place among several that always seem to me typical of these developments. I refer to Mandya, not so long ago a barren area, now a vast irrigated tract covered with one of the most paying crops in the world, with, on the one side of the railway line, a great and flourishing factory, and on the other, a new town of prosperous private houses with their own water supply and power station. The old twisting road with its two level crossings has been exchanged for a straight one with none, is fringed by spacious parks, and passes over a new and convenient bridge. I confess that whenever I pass through that area, I feel a glow of satisfaction at what has been achieved. I look forward to a new era of peace, prosperity and co-operation for the State, and I look forward under such a state of affairs to the time when every district at least, if not every taluk, will have a centre like Mandya to typify its entry upon a new life.

Speeches on the Address.

The Address over, **Rao Sahib M. RAMASWAMI** spoke as follows:—

Sir, we beg to express our great joy at the 55th Birthday of His Highness the Maharaja of Mysore. The 8th of June was a day of great joy all over the State. We beg to request you to convey our most loyal and respectful felicitations to His Highness the Maharaja.

There has been another important event during the year, *i.e.*, the wedding of the Prince. The Prince has been a great pride to us. He is one of the most democratic of Princes who has been educated like an ordinary boy in the Maharaja's College. We also request you to convey our felicitations to him on this occasion.

Your Address has been most illuminating and valuable to us. As usual, during this year also, there have been some successful schemes taken up, which will be useful to the people, particularly the Shimsha and the Markonahalli Projects which were graciously inaugurated by His Highness.

Another event of importance and joy for us is that the British Government have been kind enough to reduce a portion of our subsidy. Though the subsidy has not been completely abolished, yet the amount that has been remitted has been of great relief to the State. We are particularly grateful to you because within a short time after getting us the first instalment of remission to the extent of Rs. 10½ lakhs, you have now got us the second instalment of about 5 lakhs odd of rupees. And I hope that in a very short period of time, the subsidy will be altogether abolished.

The recent political situation in the State had created great anxiety in the minds of some of us and we are very grateful to you that a happy solution of the problem has been found. There have been so many parties in the State holding different views about the future constitution of the State. It has been a great joy to us to find that all these political parties have come to an understanding to-day and the atmosphere is now calm for the people to think of

what the future constitution of the State ought to be.

You have been at the helm of affairs of the State for more than a decade and you know our increasing anxiety to associate ourselves with the administration of the State. You have been a liberal of liberals and we are sure that you are going to create greater and greater opportunities for the people to associate themselves with the administration of the State.

We also take this opportunity to welcome the Hon'ble Col. Gordon, the British Resident in Mysore, whose advice will be most valuable to us in the future welfare of the State.

Nawab SHER KHAN of Honnali.— Sir, on behalf of the Muslim members of this House, I take this opportunity to pay our homage to our gracious Sovereign on this auspicious occasion of his 55th birthday. In doing so, we offer our humble, respectful and most loyal congratulations to His Highness and the members of the Royal Family.

We also take this opportunity to offer our most sincere, loyal and respectful felicitations to Prince Jayachamaraja Wodeyar Bahadur on his happy wedding, and also pray to Allah, the Merciful, to shower His choicest blessings on the happy couple.

In your Address, you have been kind enough to say that large sums of money have been set apart for rural uplift and irrigational works; particularly for sinking drinking water wells, a programme has been drawn up for five years and it is proposed to spend Rs. 15 lakhs during this period. It is a very welcome feature, because at present people are undergoing a lot of difficulty for want of water. In future, I, hope even in times of drought, people will not find any difficulty for water. We are grateful to you for having given us this opportunity to express our gratitude to the benign Government of His Highness the Maharaja of Mysore.

Mr. L. VEMA REDDY wished long life and prosperity to His Highness the Maharaja and the other members of the Royal Family and requested the Dewan to submit the loyal greetings of the House to His Highness the Maharaja on the celebration of His Highness' 55th Birthday.

Referring to the achievements of the Dewan, he stated that as was mentioned in the Opening Address, many progressive schemes had been taken up and some executed to a successful completion. As there were still many more similar schemes to be taken up and completed, he hoped that the Dewan would continue in office long enough and he would be helped with all the means necessary for carrying out the various ambitious items on the programme. He was glad to state in this connection that the amenities which the subjects of the State were enjoying were many more than those provided elsewhere. This was the only State where most of the revenues derived from the several undertakings of Government were being utilised for the good of the subjects of the State. In particular, he was grateful to the Dewan for the five-year plan referred to in the Opening Address for providing drinking water wells in the villages. He had great pleasure in associating himself with the felicitous remarks which had fallen from the two previous speakers.

Mr. D. VENKATARAMANAPPA expressed similar sentiments of loyalty to His Highness the Maharaja and the members of the Royal Family and similar felicitations to the Dewan. He added that the prosperity of the State was showing marked improvement from year to year during the regime of the present Dewan. For that, he said that the subjects of the State were grateful. He commended the personal interest evinced by the Dewan in the improvement of Bangalore City, particularly in matters relating to sanitation, medical help and education.

As regards the political agitation set on foot recently, he observed that it was natural for the subjects to urge for an increased share for themselves, in the administration of the State. The speaker had no doubt that the Dewan and His Highness would view this representation with sympathy and do all that was possible for helping the subjects to realize their ambition at no distant date. For this, he, as in duty bound, prayed

that God Almighty be pleased to vouchsafe long life to His Highness the Maharaja and to the Dewan.

Mr. MIRZA AZEEZULLA BEIG.— Sir, I wish to associate myself with the sentiments expressed by my brothers, the previous speakers. I feel that the last few months have seen events of far-reaching importance and one of the very auspicious occasions was the happy wedding of our Prince, Jayachamaraja Wodiyar. We, as loyal citizens of His Highness the Maharaja, feel it our duty to express our felicitations to the Prince on the occasion of his Wedding. And since this is the 55th Birthday of His Highness the Maharaja, we all pray to the Almighty to give him long life and prosperity and grant His Highness many such birthdays so that we might enjoy the blessings of his rule.

We will be failing in our duty if we did not give expression to our joy at the extension of your service for another five years which His Highness the Maharaja has been pleased to grant. This is the first time we have assembled here after that gracious Order of His Highness and we beg to offer our hearty congratulations to you.

Mr. H. K. MADIAH acknowledged that the manner in which the Dewan and his colleagues were carrying on the administration of the State under the benevolent guidance of His Highness the Maharaja was such as to give entire satisfaction to the subjects of the State. For this, the speaker conveyed the grateful thanks of the subjects to them. He also acknowledged that as a result of the Dewan's labours, the subsidy had been reduced in instalments by nearly 16 lakhs of rupees. For this also, the subjects of the State were particularly grateful to the Dewan and the Executive Councillors. The speaker echoed the heartfelt prayers of the subjects of the State for long life and prosperity to His Highness the Maharaja and to his trusted Councillors.

Swearing in of Members.

The following members made the prescribed Oath or affirmation of Allegiance to His Highness the Maharaja and took their seats:

1. Mr. K. T. Bhashyam Aiyangar (Legal Interest).
2. Mr. G. Rajgopalachar (Tumkur Urban).
3. Mr. Mahomed Mustapha Sahib (Minorities).

Mr. K. T. BHASHYAM AIYANGAR:— Sir, with your permission, I wish to say a word in connection with what has fallen from some of my friends. While on behalf of the Congress party I associate myself wholeheartedly with the sentiments expressed by our friends here in respect of our loyalty to His Highness the Maharaja and also our desire that you should convey our hearty felicitations to Prince Jayachamaraja Wodiyar on his marriage, we wish, at the same time, to express our dissent from some of the views expressed by our friends in respect of the Government. They have stated that the Government have done all they could for the people. Sir, I am very reluctantly forced to state that that is not true. That, at any rate, is our feeling in the matter. If one man can say that he is satisfied with what the Government have done, I think it ought to be open to the other to say that it is not true: and that is what we are saying and nothing more. One gentleman went so far as to say that he wanted to convey our felicitations to you on what he called the extension of your term of office. I may state at once that it is not the feeling either of the party or of the country. We are not in a position to say whether these five years, if they are to be run at all, will be in the interests of the country. It will have to be seen. We will wait and see. In the meantime, I can only say this: that throughout the country to-day it is the desire of the people that they should have Responsible Government and that the seat which you occupy to-day should immediately be occupied by a man chosen by the sixty-five lakhs of people. That is our desire.

Sir, while I say that it is not true that the Government have done all that they have claimed to do or that my friends say that the Government have

done, I must say, that granting for a moment that you have done all that, it is no argument to felicitate you because you are meant to do it and you have done it. We want you to do more. At the same time, I say that you have treated Mysore as a child treats a toy—"I will feed you, I will clothe you, I will bathe you and I will make you happy." But you have done it all according to your likes and fancies. That is all right so long as people are willing to be guided like that. But to-day we do not want to be fed, clothed or bathed by anybody according to his desire. We want to feed ourselves, clothe ourselves and bathe ourselves in the manner we desire. That desire has to be determined by us and not by an outside body, however benevolent it may be. That is all that I wish to say.

I do not want you to be under the impression that all is well with the people in Mysore. There is a great deal of discontent. Please do not be misled by people who come and flatter you and say that everything is all right, that you are God, and all that. There is a great deal of discontent and you know it quite as well as I do. I am saying this to caution you not to be misled by sweet words. They are empty words. There is substantially nothing in them. They are merely for the moment.

If I may say as a last word, I would request you to drop this kind of a convention. As soon as you read your Address, let us proceed with business. This is not a social function. This is a political body gathered here to consider the interests and welfare of the people of the entire State. If you want to have encomiums at all, there are other places for it. Let us go straight to business instead of complimenting you. If supposing there is anything to compliment you upon, there is the Budget and when we take up the Budget, it will be worth while for members to see what you have done and say whether what you have done is good or bad. This is not the occasion for it because it would be unnecessarily creating a sort of provocation to those who may not agree. Will you please bear with me? A hundred people may come and say a good word about you. But if one man says anything bitter which he feels in his heart, don't you think it mars the occasion? I would have been much more bitter to-day, but I do not want to be so because I want everything to be as happy as it could be. I have brought this to your notice already and I would request you never to give occasion to all these things in future. There are two sides of a medal; if one side is happy, the other side may not be so. Do not give room for any kind of adverse comment at all. The atmosphere to-day is so sweet and nice and in a way all of us have come to a kind of understanding. I do not want to be more hard on this point. I had brought this already to your notice and I thought you would take action. You have not done so. I am extremely sorry you have allowed these speeches. I hope you will take my speech in the spirit in which it is made. I want that we should continue to be harmonious in our relations Any discordant note might develop into a bitterness which may not possibly be bridged. In future, after your Address is read, let us proceed straight to business.

At this stage, **Mr. C. K. VENKATARAMAIYA** read the Kannada version of the Dewan's Address.

Mr. Y. V. MUNISWAMI IYER said that he heartily associated himself with all the sentiments expressed by the six members who had spoken soon after the Dewan's Address. He was surprised to find however that one member, Mr. Bhashyam Aiyangar, had thought it fit to speak in a different strain altogether. It could not be disputed that these five or six members had spoken not in their individual capacity, but as the accredited representatives of the general electorate. But Mr. Bhashyam Aiyangar, on the other hand, had been elected only by a few hundred lawyers. In the circumstances, Mr. Bhashyam Aiyangar was certainly not right in contradicting the sentiments expressed by the other speakers. There can be no two opinions

about the fact that the Dewan had converted many arid tracts in the State into fairy lands, and not only the subjects of the State, but also a large number of visitors from outside were now enjoying the fruits of the Dewan's labours. The speaker was pained to hear Mr. Bhashyam Aiyangar saying that the Dewan ought not to avail himself of the five years extension of office which had been vouchsafed to him by His Highness the Maharaja. Personally he felt that every loyal subject of the State was hoping and wishing that the present Dewan should continue to be at the helm of affairs not merely for the five years referred to, but to the very end of his life.

Mr. T. L. GANGOJI RAO SALENKEY also spoke disagreeing with the views expressed by Mr. Bhashyam Aiyangar. Every member elected to the House, he said, had a right to express the views of his constituency according to his own best lights and Mr. Bhashyam Aiyangar was altogether wrong in objecting to some of the members voicing the opinions of their own constituencies. He was surprised to find that Mr. Bhashyam Aiyangar should have expressed the views which he did on the present occasion, having himself paid encomiums to the Dewan in most flattering terms only a year ago. This was what he had stated :

"We feel it a pleasure and —— if I may say so —— a rare privilege indeed to be associated with you, in however small a measure in the administration of the State. We are proud to own you as a statesman, administrator and politician of acknowledged international reputation. We cannot think of an abler guide and President at our deliberations. Sir, you have very rightly pointed out in your Address that the Government on the one side and the people on the other, can have no difference whatever in their ideal, in their common aims and objects; and let me echo the feeling, on behalf of the members of this House that although we may not agree with you in all the details that you have expressed, yet, in all that you do for the promotion of the happiness and prosperity of the people, we the members of this Assembly, irrespective of caste, creed, or colour, will stand by you as one man. If I may single out one achievement more than any other, we hope that with our common and united effort, at the end of the term of this Assembly, we may look back with pride and satisfaction on the success of your effort in wiping off the subsidy . . . .

* * *

Sir, It only remains for me to thank you once again and to convey to you the very best wishes of the members of this Assembly and the people of the State whom we have the honour to represent."

It was not Mr. Bhashyam Aiyangar alone who had paid such a tribute on that occasion to the Dewan. Yet another member had expressed gratitude to the present Dewan under whose guidance several irrigational and industrial works were being undertaken, and prayed that he might continue to be at the helm of affairs of the State for long so that, when the time came for the celebration of the Diamond Jubilee of His Highness the Maharaja's beneficent reign, the Silver Jubilee of the Dewan's stewardship might also be celebrated.

The speaker was at a loss to know what it was that had converted Mr. Bhashyam Aiyangar to strike a different note altogether on the present occasion and say so many unpleasant things about the Dewan and the administration. Whatever those reasons be, the bulk of the subjects of the State were grateful to the Dewan and the Government for the various benevolent measures which had been taken up and executed.

With regard to constitutional reforms referred to by Mr. Bhashyam Aiyangar on the present occasion, the speaker said that he also was in favour of the State securing advancement on healthy modern lines. Personally, he would be delighted to see Mr. Bhashyam Aiyangar as one of the Ministers when Responsible Government came to be established in the State. But it would be worth while for him and others of his way of thinking to remember that the Government had already taken action in this direction and appointed a committee to consider this important problem and to submit recommendations as to the best means of achieving the end in view. It would be wisdom for the people of the State to wait patiently until the recommendations of the committee were known.

Mr. S. C. MALLIAH observed that the felicitous speeches made by some members soon after the Dewan's Address were quite in consonance with the previous practice. In this view, he did not see the point in the objection raised by Mr. Bhashyam Aiyangar. He

was therefore sorry that Mr. Bhashyam should have thought it fit to express the opinions he did on behalf of what he called the Congress party which had come into being in the State only recently. Mr. Bhashyam Aiyangar had pleaded for the immediate establishment of Responsible Government. No doubt that was a thing which most subjects ardently desired, but it had to be borne in mind by all concerned that the attainment of Responsible Government was a very complicated problem. That was why the Government had constituted a large and influential committee to examine the question and submit detailed recommendations. Mr. Bhashyam Aiyangar was himself a member of that committee and it was for him to see that the committee's recommendations were submitted to His Highness as early as possible. But till the committee submitted its recommendations, it would be unwise for Mr. Bhashyam Aiyangar or anybody else to oppose the existing Government or its system. It was still more unwise on the part of Mr. Bhashyam Aiyangar to oppose the other members who had spoken in appreciative terms about the work and achievements of the Government. Mr. Bhashyam Aiyangar should have realized that, just as he had a right to express the views and opinions of his party, the other members also had a similar right to voice the views of their constituencies. Whatever the individual opinion of the members, it was necessary that in the interests of the peace, progress and prosperity of the State as a whole, the members of the House should in a body extend their hearty co-operation to the Government. If any member had reason to find fault with the Government, there were plenty of opportunities for him to do so. In this view, it was not proper on the part of Mr. Bhashyam Aiyangar to suggest that no member should make any speech in acknowledgment of the Government's benevolent policy. If Mr. Bhashyam Aiyangar thought that he was right and others were wrong, it was for him to first convert them to his way of thinking, but it would certainly be improper for him to say that such speeches should be done away with in future.

Mr. T. MADIAH GOWDA stated that Mr. Bhashyam Aiyangar also had a right to express the views of his party just as Mr. Malliah had claimed that the other members of the House were entitled to state the views of their own electorates. It was not true that Mr. Bhashyam Aiyangar had been elected to the House by only a few lawyers. Mr. Bhashyam Aiyangar, he said, was the accredited leader of the Congress party in the House, and he was speaking on behalf of those members of the party who were sitting in the Assembly wearing white caps. The party represented by the white caps was the only political party which enjoyed the country's general support. Mr. Malliah knew it. The Dewan also was aware of it. Such being the case, it was a matter for surprise to the speaker that certain members including Mr. Muniswami Iyer should have spoken in opposition to the Congress party and the views expressed by the leader of the party, Mr. Bhashyam Aiyangar.

Speaking of the representative character of the members, he referred to the fact that soon after Mr. Muniswami Iyer had made speeches of a certain type at the previous session of the Assembly, the electorate concerned held a general meeting and passed a resolution that Mr. Muniswami Iyer had altogether forfeited the confidence of the electorate and that he should resign his seat in the Assembly. Mr. Muniswami Iyer, instead of carrying out the mandate of the electorate, stuck on to his seat and thought it fit to make speeches in a similar strain. The speaker threw out a challenge that if to-day Mr. Muniswami Iyer resigned his seat and stood for re-election, he would find a place which was most appropriate for him. Mr. Bhashyam Aiyangar however was not in such a plight. How often he might stand for election, Mr. Muniswami Iyer need have no doubt that Mr. Bhashyam Aiyangar would come out successful.

The speaker said that he had never imagined that the Representative

Assembly would reduce itself into a debating society or a mutual admiration society as it had done on the present occasion. Mr. Bhashyam Aiyangar was perfectly right in saying that soon after the Dewan's Address, the House should proceed to the business on the agenda straightway. Otherwise the House would merely be wasting its time. It might be that some members appreciated the work of the Government and wanted the existing system of the Government to be perpetuated, but other members who thought otherwise would be justified in saying that all was not well with the Government and that one and the same Dewan should not continue in office for all time to come. He did not see why anybody should object to the latter class of members giving expression to their own views. At the same time, he would ask the members to consider whether Responsible Government would ever come about at all in the State if the present system of Government alone continued for all time. If the Dewan, for example, had to continue in future also, the speaker asked what place the elected Chief Minister would have. This was all the question raised by the members of the Congress party through Mr. Bhashyam Aiyangar. So he appealed to the House to patiently listen to any member of the Congress party expressing his views on behalf of his party.

No doubt Mr. Gangoji Rao, himself a member elected by a small interest, had referred to a certain speech of Mr. Bhashyam Aiyangar made on a previous occasion in terms appreciative of the Government and the Dewan. But everybody was aware of the vast change which had come over the State and its political life within the last one or two years. As a result of this, public opinion in some quarters had undergone a change. There was no reason for anybody to object to that opinion being expressed in the House. However hoarse members like Mr. Gangoji Rao, Mr. Muniswami Iyer and Mr. Malliah cried, it was undisputed that to-day the name of the Congress was mentioned with respect and its word also commanded respect everywhere. They were not empty words that the Congress was uttering at the present time in the country. The Congress wanted that Responsible Government should be established in the State at the earliest possible moment. The speaker was glad that the Government had appointed a committee to consider the question of constitutional reforms. Let that committee consider the question of Responsible Government also and make its recommendations as soon as possible. Let the ministers to come be elected by the sixty-five lakhs of His Highness' subjects.

QUESTIONS AND ANSWERS.

Gersoppa Hydro-Electric Project.

Q.—3. **Messrs. C. N. NARASINGA RAO** and **B. L. BYANNA**, Bangalore City Municipality; **T. MADIAH GOWDA** and **SIDDE GOWDA**, Channapatna Taluk; **B. CHOODE GOWDA**, Closepet Taluk; **Gurukar VENKATARAMANE GOWDA, V. L. CHAME GOWDA** and **S. KARIAPPA**, Kankanballi Taluk; **B. MALLAPPA**, Nelamangala Taluk; **R. DASAPPA** and **A. HANUMANTHARAYAPPA**, Devanahalli Taluk; **K. NARAYANA SETTY**, Magadi Municipality; **B. MUNIVENKATAPPA, A. G. RAMIAH REDDY** and **N. APPANNA REDDY**, Bangalore Taluk; **K. P. PARASIVIAH**, Kankanhalli Municipality; **Patel HONNASIDDIAH** and **T. THIMMARAYAPPA**, Magadi Taluk; **Patel VEERE GOWDA** and **Patel HANUME GOWDA**, Dodballapur Taluk; **Patel NARAYANA GOWDA** and **GURUSWAMY GOWDA**, Hoskote Taluk; **H. S. SURYANARAYANA RAO** and **B. M. MUNISWAMAPPA**, Special Interests; and **S. MUNIVENKATAPPA** and **A. DASAPPA**, Minorities.—

Will the Government be pleased to state:—

(*a*) the estimate for the Gersoppa Hydro-electric Project;

(*b*) in how many years it is expected to be completed;

(*c*) whether tenders have been called for or will be called for for the purchase of all machinery and plant in connection with the said project from Germany, England and other places; whether the purchases will be made from the firms which give the lowest tenders?

A.—**The SECRETARY to GOVERNMENT, ELECTRICAL DEPARTMENT. (Diwan Bahadur N. N. Ayyangar).**—

(*a*) Rs. 150 lakhs.